

OPINION OF TRUSTEES

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In Re

Complainant: Retiree  
Respondent: Employer  
ROD Case No: 81-462 - November 19, 1984

Board of Trustees: Harrison Combs, Chairman; John J O'Connell, Trustee; Paul R. Dean, Trustee.

Pursuant to Article IX of the United Mine Workers of America 1950 Benefit Plan and Trust, and under the authority of an exemption granted by the United States Department of Labor, the Trustees have reviewed the facts and circumstances of this dispute concerning the level of health benefits for your spouse. They hereby render their opinion on the matter.

Background Facts

The Complainant's spouse received vision care services on November 28, 1983. Because the Complainant's spouse is currently employed, her employer's Insurance carrier is primary and was therefore billed for these services. A payment was made by this carrier resulting in a balance due. This balance was then billed to the Respondent's carrier who denied payment for any part of the balance due. The Respondent claims that providing payment for these services would be a duplication of benefits, which is excluded under the terms of the Employer's Benefit Plan.

Dispute

Is the Respondent responsible, under the Vision Care program, for payment of any part of the balance due charges?

Positions of the Parties

Position of the Complainant: The Respondent is responsible for payment of billed charges up to the maximum amount allowed under the Vision Care program.

Position of the Respondent: The Benefit Plan contains a "nonduplication" rather than a Coordination of Benefits provision. Since the Complainant's spouse's insurance paid more for the vision care services than the Employer's Benefit Plan allows, benefits are not payable.

Pertinent References

Article III A. (9) (a) and (b) of the Employer's Benefit Plan provide:

III - BENEFITS

A. Health Benefits

(9) Vision Care Program

(a) Benefits	Actual Charge Up To Maximum Amount	Frequency Limits
Vision Examination	\$20	Once every 24 months
Per Lens (Maximum - 2)		Once every 24 months
- Single Vision	10	
- Bifocal	15	
- Trifocal	20	
- Lenticular	25	
- Contact	15	
Frames	14	Once every 24 months

Note: The 24-month period shall be measured from the date the examination is performed or from the date the lenses or frames are ordered, respectively.

- (b) Lenses will not be covered unless the new prescription differs from the most recent one by an axis change of 20 degrees or .50 diopter sphere or cylinder change and the lenses must improve visual acuity by at least one line on the standard chart.

Article III A. 10. (f) of the Employer's Benefit Plan states:

- (f) NON-DUPLICATION

The health benefits provided under this Plan are subject to a non-duplication provision as follows:

1. Benefits will be reduced by benefits provided under any other group plan, including a plan of another Employer signatory to the Wage Agreement, if the other plan:
  - (i) does not include a coordination of benefits or non-duplication provision, or
  - (ii) includes a coordination of benefits or non-duplication provision and is the primary plan as compared to this Plan.
2. In determining whether this Plan or another group plan is primary, the following will apply:
  - (i) The Plan covering the patient other than as a dependent will be the primary plan.
  - (ii) Where both plans cover the patient as a dependent child, the plan covering the patient as a dependent child of a male will be the primary plan.
  - (iii) Where the determination cannot be made in accordance with (i) or (ii) above, the plan which has covered the patient the longer period of time will be the primary plan.
  - (iv) In the event a Pensioner or surviving spouse is covered under another group plan by reason of his or her employment, the other group plan shall be the primary plan for such Pensioner or surviving spouse and their eligible dependents.
3. As used herein, "group plan" means (i) any plan covering the individuals as members of a group and providing hospital or medical care benefits or services through group insurance or a group prepayment arrangement, or (ii) any plan covering individuals as employees of an employer and providing such benefits or services, whether on an insured, prepayment or uninsured basis.
4. If it is determined that benefits under this Plan should have been reduced because of benefits provided under another group plan, the Plan Administrator shall have the right to recover any payment already made which is in excess of

the Plan's liability. Similarly, whenever benefits which are payable under the Plan have been provided under another group plan, the Plan Administrator may make reimbursement directly to the insurance company or other organization providing benefits under the other plan.

5. For the purpose of this provision, the Plan Administrator may, without consent of or notice to any Beneficiary, release to or obtain from any insurance company or other organization or person any Information which may be necessary regarding coverage, expense and benefits.
6. Any Beneficiary claiming benefits under this Plan must furnish the Plan Administrator such information as may be necessary for the purpose of administering this provision.

#### Discussion

Article III A. (9) (a) of the Employer's Benefit Plan provides benefits for vision care services, up to a specified dollar amount.

Article III A. (10) (f) provides for Non-Duplication of benefits provided by an Employer's Benefit Plan and another group plan in situations where benefits are provided by both plans. This non-duplication provision precludes duplicate payment for services and limits payments to the total allowable charges for covered services.

When a claim is submitted and the Employer Plan is responsible as the secondary payer, the Plan shall pay the difference (if any) between the amount paid by the primary payer and the lesser of the total amount billed or the total allowable charge for the billed service.

In this case, the amount paid by the primary payer exceeds the benefit amount provided by the Employer's Benefit Plan. Therefore, the Employer's Plan has no obligation to issue additional payment on the employee's claim.

#### Opinion of the Trustees

The Respondent is not responsible for providing additional payment for vision care services in accordance with the non-duplication provision of the Plan.